



Press Release
Navagiri Apparel
December 13, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.50	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	10.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	11.50	-	-

Rating Rationale

Acuité has reaffirmed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 11.50 crore bank facilities of Navagiri Apparel. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Navagiri Apparel, (erstwhile Hardikaa Exports), established in Tirupur in 2012 by Mr. A.R. Shanmugam and Ms. S. Kalarani. The firm manufactures garments for women and children.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

All Covenants

Not Applicable

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 15 (Actual)	FY 14 (Actual)
Operating Income	Rs. Cr.	57.55	46.91
PAT	Rs. Cr.	1.59	2.17
PAT Margin	(%)	2.77	4.62
Total Debt/Tangible Net Worth	Times	0.37	0.51
PBDIT/Interest	Times	4.92	4.80

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Oct 2022	Term Loan	Long Term	1.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bills Discounting	Short Term	5.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Packing Credit	Short Term	5.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
22 Jul 2021	Term Loan	Long Term	1.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Bills Discounting	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
23 Apr 2020	Term Loan	Long Term	1.50	ACUITE BB (Issuer not co-operating*)
	Packing Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Bills Discounting	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.50	ACUITE B+ Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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